

**ASSEMBLY BILL**

**No. 429**

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**Introduced by Assembly Member Dahle  
(Principal coauthor: Assembly Member Wood)**

February 19, 2015

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An act to add Section 12405 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 429, as introduced, Dahle. Public contracts: preferences: forest products.

Existing law generally requires state agencies to comply with competitive bidding procedures in soliciting and evaluating bids for public works projects. Existing law authorizes bidding preferences for certain categories of business owners, including businesses owned by disabled veterans.

Existing law also requires the Department of General Services, in consultation with the California Environmental Protection Agency, members of the public, industry, and public health and environmental organizations, to provide state agencies with information and assistance regarding environmentally preferable purchasing.

This bill would require any state agency that contracts for, or acquires, lumber or other solid wood products, excluding paper and other types of secondary manufactured goods, to give preference, if price, fitness, and quality are equal, to lumber and other solid wood products that are harvested from forests within this state.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. The Legislature finds and declares all of the  
2 following:

3     (a) It is a priority in California to protect the wildlife, rivers,  
4 streams, and soil that make up the state's rich forest ecosystems  
5 covering 40 percent of the state's entire land area.

6     (b) Forested lands in California do all of the following:

7         (1) Provide significant environmental benefits, including serving  
8 as the source of more than half the state's supply of drinking water  
9 and habitat for numerous wildlife and plant species, some of which  
10 are rare, threatened, or endangered.

11         (2) Serve as the source of extensive recreational opportunities  
12 for millions of Californians.

13         (3) Provide a signature landscape that identifies California to  
14 people worldwide.

15         (4) Reduce the amount of carbon dioxide in the atmosphere,  
16 replacing it with clean, fresh air. According to the California  
17 Environmental Protection Agency, forestry is the only sector in  
18 California that reduces atmospheric carbon. Sequestered carbon  
19 is stored in the forest in trees, soil, wood debris on the forest floor,  
20 and in long-lasting products made from harvested wood.

21     (c) Forested lands in California also provide the source of raw  
22 materials for the timber products industry, and a source of jobs for  
23 those who are employed in that industry. Forested lands in  
24 California are an essential economic resource in rural communities  
25 across the state.

26     (d) The economic pressures faced by the timber industry, caused  
27 in part by globalization and imported timber products, have resulted  
28 in financial losses to the California timber industry and private  
29 landowners.

30     (e) It is appropriate for the State of California to officially  
31 support the continued economic vitality of the California timber  
32 products industry by directing its agencies to purchase timber  
33 products harvested from California, when appropriate.

34     (f) A purchasing preference will contribute to stabilizing the  
35 California timber industry.

36     (g) Laws and regulations governing forestry in California  
37 represent the commitment of the state to strive for the highest  
38 environmental standards for industrial forestry anywhere in the

1 world. The state may express its preference for timber products  
2 reflecting that commitment.

3 (h) Currently, approximately 70 percent of California's timber  
4 products must be imported to meet the demand of the state's  
5 population of 38 million people. California's population is  
6 projected to increase to 49 million people by 2025, further  
7 intensifying our consumption of, and demand for, timber products  
8 from other states and abroad.

9 (i) The import and export of goods, including timber products,  
10 are and will remain part of the state's economy. The import and  
11 export of all goods have contributed to the diverse economic base  
12 of California.

13 (j) When price, quality, and fitness are equal and when the  
14 marketplace provides timber products that are acceptable for use  
15 by state agencies, the State of California has a responsibility to  
16 purchase California grown forest products.

17 SEC. 2. Section 12405 is added to the Public Contract Code,  
18 to read:

19 12405. Consistent with all applicable provisions of this code,  
20 when price, fitness, and quality are equal, any state agency that  
21 contracts for, or acquires, lumber or other solid wood products,  
22 excluding paper and other types of secondary manufactured goods,  
23 shall, if price, fitness, and quality are equal, give preference to  
24 lumber and other solid wood products that are harvested from  
25 forests within this state.